

105TH CONGRESS  
1ST SESSION

# H. R. 1408

To amend the Internal Revenue Code of 1986 to provide that the statute of limitations shall not bar a claim for credit or refund based on a retroactive determination of an entitlement to receive military disability benefits.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 1997

Mr. STUMP introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide that the statute of limitations shall not bar a claim for credit or refund based on a retroactive determination of an entitlement to receive military disability benefits.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. EXTENSION OF STATUTE OF LIMITATION**

4                       **WHERE RETROACTIVE DETERMINATION OF**  
5                       **ENTITLEMENT TO MILITARY DISABILITY BEN-**  
6                       **EFITS.**

7       (a) IN GENERAL.—Subsection (d) of section 6511 of  
8       the Internal Revenue Code of 1986 (relating to limitations

1 on credit or refund) is amended by adding at the end the  
2 following new paragraph:

3 “(7) SPECIAL PERIOD OF LIMITATION WITH RE-  
4 SPECT TO RETROACTIVE DETERMINATIONS OF ENTI-  
5 TLEMENT TO MILITARY DISABILITY BENEFITS.—  
6 If—

7 “(A) the claim for credit or refund relates  
8 to an overpayment of tax imposed by chapter 1  
9 on account of a determination of an entitlement  
10 to disability retired pay under chapter 61 of  
11 title 10, United States Code, or to disability  
12 compensation under chapter 11 of title 38 of  
13 such Code, and

14 “(B) at any time during the 1-year period  
15 beginning on the date such determination be-  
16 comes final with respect to amounts received in  
17 any taxable year the allowance of such credit or  
18 refund for such year is otherwise prevented by  
19 the operation of any law or rule of law (other  
20 than section 7122 (relating to compromises)),  
21 such credit or refund may be allowed or made if  
22 claim therefor is filed not later than the close of  
23 such 1-year period.”

24 (b) EFFECTIVE DATE.—The amendment made by  
25 subsection (a) shall apply with respect to determinations

1 which become final after December 31, 1989. In no event  
2 shall a credit or refund be allowed or made by reason of  
3 such amendment for any taxable year ending before Janu-  
4 ary 1, 1990.

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